



Schedule M1B, Business and Investment Credits 2014

Sequence #7

Complete this schedule to determine line 28 of Form M1. Include this schedule when filing your return.

- 1 Angel Investment Tax Credit 1 ■
- 2 Credit for historic structure rehabilitation (*enclose certificate*)
Enter National Park Service (NPS) project number 2 ■
- 3 Job Opportunity Building Zone (JOBZ) Jobs Credit (*enclose Schedule JOBZ*) 3 ■
- 4 Greater Minnesota Internship Credit 4 ■
- 5 Enterprise Zone Credit 5 ■
- 6 Add lines 1 through 5. Enter total here and on line 28 of Form M1. 6

You must include this schedule with your Form M1.



2014 Schedule M1B Instructions

Purpose

Complete Schedule M1B, *Business and Investment Credits*, if you qualify for any of the following credits as a sole proprietor or if you received a credit as reported on the Schedule KPI, KS, or KF that you received as a partner of a partnership, shareholder of an S corporation, or beneficiary of a trust:

- Angel Investment Tax Credit;
- Credit for historic structure rehabilitation;
- JOBZ Jobs Credit;
- Greater Minnesota Internship Credit; or
- Enterprise Zone Credit

Line 1

Angel Investment Tax Credit

If you made an investment in certain small Minnesota businesses, you may be eligible for a refundable income tax credit.

The credit is equal to 25 percent of any new investment in a qualified business. The maximum credit is \$125,000, or \$250,000 for a married couple filing jointly.

The Department of Employment and Economic Development (DEED) certifies investors, investment funds and businesses as being eligible to participate in the credit program. DEED also allocates credits to eligible taxpayers who make qualifying investments subject to a statutory maximum annual appropriation.

If you made a qualified investment in a Minnesota small business in 2014, enter on line 1 the amount listed on the Angel Investment Tax Credit Certificate issued to you by DEED.

For more information, visit the DEED website at www.positivelyminnesota.com.

Line 2

Credit for Historic Structure Rehabilitation

If you made qualified improvements to a historic property in Minnesota, and those improvements qualify for the federal Historic Rehabilitation Credit under IRC section 47, you may be eligible for a Minnesota credit. The Minnesota credit is equal to 100 percent of the federal credit, provided that you filed an application with the State Historic Preservation Office (SHPO) of the Minnesota Historic Society and meet all other conditions of eligibility. The credit is generally allowed when the project is completed.

Enter the amount of the credit and National Park Service number listed on the credit certificate issued by SHPO upon completion of the project.

Note: The Department of Revenue reserves the right to audit any amount claimed.

Enclose a copy of the credit certificate when you file your Minnesota return.

If you are eligible for the federal Historic Rehabilitation Credit through an interest in a partnership, S corporation, estate or trust, enter the amount of the credit from your Schedule KPI, KS or KF.

If you receive a grant in lieu of the credit for the entire amount, you are not eligible for the tax credit. However, if you received a grant for a portion of the claimed amount, you may be eligible for a partial credit.

Assignment of credit. If you are eligible for a credit but have assigned it to another taxpayer, you are not eligible for the credit. If you assigned only a portion of the credit, enter the amount that you have not assigned.

If a credit has been assigned to you, enter on line 2 the amount from your Assignment of Credit certificate.

Line 3

Job Opportunity Building Zone (JOBZ) Jobs Credit (Schedule JOBZ)

If you are the sole proprietor of a qualified business operating in a job zone, enter the amount of the JOBZ jobs credit from line 43 of Schedule JOBZ.

If you are a partner of a partnership, a shareholder of an S corporation, or a beneficiary of an estate or trust that is a qualified JOBZ business, enter the amount of the JOBZ jobs credit as reported on your Schedule KPI, Schedule KS, or Schedule KF.

Line 4

Greater Minnesota Internship Credit

If you own or operate a business that hired a qualified student for an internship in greater Minnesota, you may be eligible for a refundable income tax credit.

The credit is equal to 40 percent of the wages paid to the student or \$2,000, whichever is less. Other statutory limitations may apply.

The Office of Higher Education (OHE) and eligible institutions certify eligible employers and determine the total credit each eligible employer may receive.

If you were certified to be eligible for the Greater Minnesota Internship Credit, enter on line 4 the amount of credit you were certified for.

Include amounts from line 12 of Schedule KPI, line 12 of Schedule KS and line 21 of Schedule KF.

For more information, visit the OHE website: www.ohe.state.mn.us.

Line 5

Enterprise Zone Credit

The enterprise zone credit is a refundable credit for sole proprietors, partners of a partnership, or shareholders of an S corporation. This credit was previously reported as a write-in on the total payments line of Form M1.

If you qualify, you would have received paperwork from DEED. Include a copy of the documentation with Form M1.

To claim the credit, enter on line 5 the amount from line 15 of Schedule KPI or line 15 of Schedule KS.